

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7054

Petition of Five Ratepayers of the Berlin Water Company)
requesting an investigation into the rates and charges of)
the Company)

Order entered: 7/24/2007

ORDER ACCEPTING SETTLEMENT

REPORT

This docket was opened in response to a petition filed by five or more customers of the Berlin Water Company ("Berlin Water" or "Company"). Those customers sought to have Berlin Water charge rates based upon usage, rather than a fixed fee. After an inspection of the Company's books to determine the actual revenue requirements and usage patterns, the witness (Martin) for the Department of Public Service ("Department") filed a proposed schedule of rates based upon usage as well as a form of notice to customers. The proposed rate schedule does not result in an overall rate increase, only a change in rate design. After some brief further negotiations, all three parties (Berlin Water, the Department, and the customers) agreed to the rate structure described below.

The Settlement

At present Berlin Water has three classes of customers: Residential, Small Commercial, and Large Commercial. Residential customers pay \$400 per year, Small Commercial customers pay \$625 per year, and Large Commercial customers pay \$2,600 per year. Under the rates developed by the Department, all customers would pay a flat rate of \$207.70 plus a usage rate of \$0.438 per 1000 gallons of water. Also, instead of the present monthly billing schedule, bills will be sent quarterly.

Conclusion

The overall revenue level of Berlin Water was not in dispute here. I agree with the parties that the methodology used by the Department's witness results in rates that are both just and

reasonable and equitable between the customer classes. I therefore recommend that the Public Service Board approve the proposed rates and notice to customers as filed and that this docket be closed.

This Proposal for Decision is not adverse to the interest of any party, and so has not been served on the parties to this proceeding in accordance with 3 V.S.A. § 811.

Dated at Montpelier, Vermont, this 24th day of July, 2007.

s/John P. Bentley
John P. Bentley, Esq.
Hearing Officer

ORDER

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED by the Public Service Board of the State of Vermont that:

1. The Report and recommendations of the Hearing Officer are accepted.
2. The rates as proposed by the Department of Public Service and agreed to by the other parties are approved.
3. Berlin Water shall provide the agreed notice to its customers, and shall file a tariff in compliance with this Order and pursuant to 30 V.S.A. § 225.

Dated at Montpelier, Vermont, this 24th day of July, 2007.

<u>s/James Volz</u>)	
)	
)	PUBLIC SERVICE
<u>s/David C. Coen</u>)	
)	BOARD
)	
)	OF VERMONT
<u>s/John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: July 24, 2007

ATTEST: s/Susan M. Hudson
Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@.state.vt.us)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.